

STATE OF WASHINGTON



OFFICE OF  
INSURANCE COMMISSIONER

In the Matter of	)	
	)	
	)	No. D 02 - 178
<b>Travelers Commercial</b>	)	
<b>Casualty Company,</b>	)	<b>CONSENT ORDER</b>
An Authorized Insurer.	)	<b>IMPOSING A FINE</b>
	)	
	)	

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FINDINGS OF FACT:

1. Travelers Commercial Casualty Company ("Travelers") is authorized to write property and casualty insurance in Washington State.
2. Travelers is subject to Washington Administrative Code (WAC) 284-07-010(1), which requires each authorized property and casualty insurer in the state to "...record and report its Washington State loss and expense experience and other data, as required by RCW 48.05.390, on a form issued by the commissioner." This special liability report covers the period ending December 31 of each year. It must be submitted no later than May 1 of the following year. Consequently Travelers was required to submit its special liability report for 2001 not later than May 1, 2002. Negative reports are also required.
3. During the month of December, 2001, the Senior Actuary for the Office of the Insurance Commissioner (OIC) sent a broadcast e-mail to all the authorized property and casualty insurers, giving instructions and a form for the filing of the special liability report. This was sent to Travelers.
4. Travelers failed to file its 2001 special liability report with the OIC by May 1, 2002. On May 23, 2002, the Senior Actuary at the OIC sent reminder letters to those approximately 140 property and casualty insurers which, like Travelers, had failed to file their special liability report by May 1, 2002. A copy of this letter went to Travelers at its official address, which it maintained with the OIC.

CONCLUSIONS OF LAW:

1. The failure of Travelers Commercial Casualty Company to file its 2001 special liability report with the OIC not later than May 1, 2002 was a violation of WAC 284-07-010. It was also a violation of RCW 48.05.380, "Reports by property and casualty insurers- Rules" and of RCW 48.05.390, "Reports by various insurers- Contents."

2. RCW 48.05.140 (1), "Certificate of authority- Discretionary refusal, revocation, suspension" provides that the insurance commissioner is authorized to refuse, suspend, or revoke an insurer's certificate of authority if the insurer "...Fails to comply with any provision of this code other than those for violation of which refusal, suspension or revocation is mandatory."

3. RCW 48.05.185, "Fine in addition to or in lieu of suspension, revocation or refusal" provides that "After hearing or with the consent of the insurer and in addition to or in lieu of the suspension, revocation or refusal to renew any certificate of authority, the commissioner may levy a fine upon the insurer in an amount not less than two hundred fifty dollars and not more than ten thousand dollars."

CONSENT TO ORDER:

Travelers Commercial Casualty Company stipulates to the foregoing Findings of Fact and Conclusions of Law and consents to this order, which imposes a fine of \$1000 (One Thousand Dollars and no/100) upon Travelers Commercial Casualty Company, in lieu of further proceedings against the certificate of authority held by that insurer in Washington State. This fine will be paid in full within thirty days of the entry of this order. Failure to pay the fine timely and in full will constitute grounds for the suspension or revocation of the insurer's certificate of authority in Washington state. It will also result in a civil action to recover the fine, brought on behalf of the insurance commissioner by the Attorney General of the state of Washington.

Travelers Commercial Casualty Company also ~~also~~ acknowledges its obligation to obey all insurance laws and regulations of Washington state, including but not limited to WAC 284-07-101 and RCW 48.05.380.

Executed this 22<sup>nd</sup> day of October, 2002.

TRAVELERS COMMERCIAL INDEMNITY COMPANY

By \_\_\_\_\_

Typed Name: \_\_\_\_\_

Typed Corporate Title: \_\_\_\_\_

ORDER:

Pursuant to RCW 48.05.185, the Insurance Commissioner imposes a fine of \$1000 ( One Thousand Dollars and no/100) upon Travelers Commercial Casualty Company, expressly in lieu of further proceedings against the certificate of authority held by the insurer in Washington state. The fine is to be paid in full not later than thirty days

Travelers Commercial Casualty Company

Consent Order

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after the entry of this order. Failure to pay the fine timely and in full will constitute grounds for suspension or revocation of that certificate of authority. It will also result in a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington.

ENTERED AT TUMWATER, WASHINGTON on this 25<sup>th</sup> day of  
October, 2002.

MIKE KREIDLER  
Insurance Commissioner

By \_\_\_\_\_

William Kirby  
Legal Affairs Division